

***BERKELEY SITE OFFICE
CONTRACT MANAGEMENT PLAN FOR
THE UNIVERSITY OF CALIFORNIA
ERNEST ORLANDO LAWRENCE BERKELEY NATIONAL
LABORATORY***

CONTRACT NUMBER DE-AC03-76SF00098
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1 Purpose

The purpose of this Contract Management Plan (CMP) is to define, document, and describe the overall framework of the internal processes, policies, and procedures that are used to administer the contract between The Regents of the University of California (UC) and the Department of Energy (DOE). As such, this plan will document the “as is” condition for contract administration/management and will be revised as new or revised processes, policies, and procedures are implemented to administer/manage the contract. The following key internal processes, policies, and procedures are discussed throughout this document.

1.1 CMP Processes, Policies and Procedures

- Functions Responsibilities and Authorities Manual (FRAM)
- Work Authorization System (WAS) and DOE Order 412.1
- DOE M 413.3-1, Project Management for the Acquisition of Capital Assets
- DOE O 413.3, Program and Project Management for the Acquisition of Capital Assets
- Appendix F: Standard Objectives of Performance
- Assessment Management Plans (AMPs)
- Integrated Safety Management System (ISMS)
- Performance-Based Management Guide
- Ernest Orlando Lawrence Berkeley National Laboratory (LBNL) Program Plans

1.2 Applicability

This CMP is applicable to the Berkeley Site Office (BSO) organizations and staff that have been delegated authority and responsibility for administration of Contract Number DE-AC03-76SF00098.

1.3 Maintenance and Distribution

This CMP is maintained and distributed by BSO, who reports directly to the Chief Operating Officer within the Office of Science. The CMP is formally maintained in the official contract file, and will be revised periodically by the Contracting Officer, and is responsible for distribution.

1.4 Challenges for the Contract

The management and operation of the Ernest Orlando Lawrence Berkeley National Laboratory (LBNL), is currently under competition. Any information regarding the competition is sensitive; however, the need to ensure a smooth transition from the current

contract to the new contract is of great importance. A new CMP will be issued at the time of award, and submitted for Headquarters (HQ) review.

2 Overview

2.1 Department of Energy

The DOE has its roots in the Manhattan Project of the U.S. Army Corps of Engineers, which was established in 1942 to manage development of the atomic bomb. After World War II, Congress created the Atomic Energy Commission (AEC) in 1946 to direct the design, development, and production of nuclear weapons. The AEC was also responsible for developing nuclear reactors and, beginning in 1954, for regulating the commercial nuclear power industry.

In 1974, Congress replaced the AEC with two new agencies: the Nuclear Regulatory Commission and the Energy Research and Development Administration (ERDA). The latter was created to manage the nuclear weapons stockpile; naval reactors programs; energy development programs; and to research the environmental, biomedical, and safety aspects of energy technologies.

In 1977, Congress created DOE, which brought together functions and responsibilities of the ERDA, the Federal Power Commission, and the Power Marketing Administration under one cabinet-level department.

DOE's present day responsibilities include development and implementation of energy policy and the management of a vast array of technical programs. To carry out these responsibilities, DOE and its predecessor organizations developed a large "complex" of facilities. The DOE complex includes over 50 major installations in 35 states, consisting of HQ elements, field organizations, and national laboratories.

2.2 Office of Science

The DOE is the single largest Federal government supporter of basic research in the physical sciences in the United States (U.S.), providing more than 40 percent of total Federal funding for this vital area of national importance. It oversees, and is the principal Federal funding agency of, the Nation's research programs in high-energy physics, nuclear physics, and fusion energy sciences. Such a diverse research portfolio supports tens of thousands of principal investigators, post-doctoral students, and graduate students who are tackling some of the most challenging scientific questions of our era.

The Office of Science (SC) manages a unique and vital infrastructure for America's scientists, engineers, teachers and students – and also the international community. SC oversees 10 outstanding national laboratories with unmatched capabilities for solving complex interdisciplinary problems. In addition, SC also builds and operates large-scale user facilities of importance to all areas of science.

Office of Science Mission & Strategic Plan:

Mission

The mission of DOE-SC is to deliver the remarkable discoveries and scientific tools that transform our understanding of energy and master and advance the national, economic, and energy security of the U.S.

Strategic Plan

DOE-SC, the Nation's leading supporter of the physical sciences, has prepared its 20-year vision for the future of science. The SC Strategic Plan, produced after extensive consultations with the U.S. scientific community, sets concrete goals and priorities that will dramatically influence the direction of basic research in the U.S. for decades to come.

2.3 Berkeley Site Office Organization

The Berkeley Site Office (BSO) organization, is one of ten (10) sites responsible for the execution of the SC mission through management of LBNL. The BSO has primary responsibility for providing direction to the Contractor and provides contract management, performance oversight and contract administration activities as appropriate.

2.4 Berkeley Site Office Mission/ Vision

Mission

As part of DOE-SC, the BSO supports the execution of DOE's mission through management of the LBNL contract and site, providing for field program and project implementation, and federal stewardship of the laboratory's operations and assets.

Vision

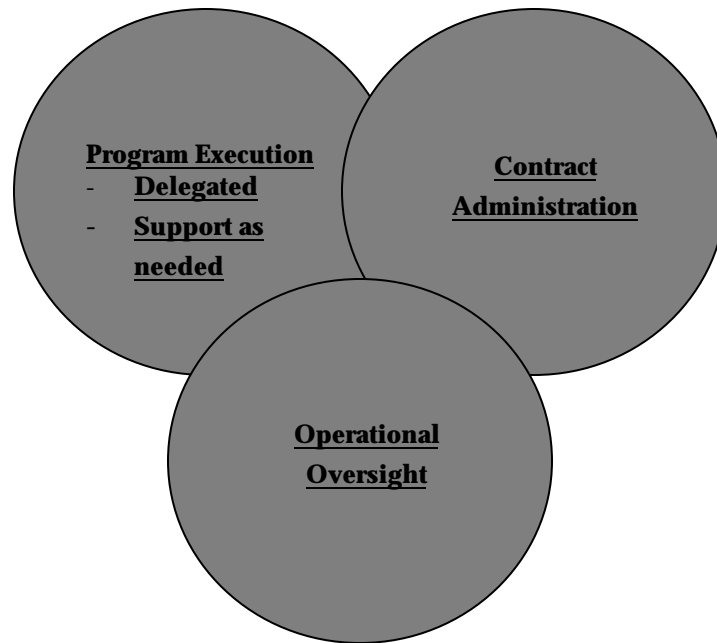
The vision of the BSO is to be valued by its HQ customers and its contractor /laboratory stakeholders as an effective and efficient DOE Site Office that provides quality service and support in contract management, field program implementation and project management, and the stewardship of federal assets and resources.

BSO's Integrated Approach Supports Mission Accomplishments Through:

- **Contract administration:** utilizing programmatic, operations, and business knowledge and personnel to administer the contract; performing oversight; establishing performance objectives; assessing contractor performance; and obtaining deliverables.
- **Site management and operational oversight:** local oversight of business, environment, safety and health, integrated safeguards and security management,

and infrastructure management to assure operations are appropriate and in compliance with contract requirements.

- **Program execution**, as delegated from HQ, consists of program implementation. Program activities may include establishing program plans, formulating and executing budgets, providing program guidance, and managing construction projects.



2.5 The University of California, Ernest Orlando Lawrence Berkeley National Laboratory

The University first assumed responsibility for managing and operating LBNL under Contract W-7405-ENG-48, which was initially executed on behalf of the Government by the War Department on April 20, 1943. The contract was modified a number of times and eventually transferred to the Atomic Energy Commission (AEC) on January 1, 1947, by Executive Order No. 9816. On August 4, 1977, through a contract modification, the contract was transferred to the U.S. Department of Energy by Public Law 95-91. On February 2, 1982, the contract with the University for the management and operation (M&O) of LBNL was extended and the contract number was changed from W-7405-ENG-48 to DE-AC03-76SF00098. The contract with the University for the management and operation of Lawrence Livermore National Laboratory was continued under contract W-7405-ENG-48. In 1992, both contracts were modified to include performance-based provisions. A performance based management contract enables the Department to negotiate and annually update performance objectives, criteria and measures that

incentivize continuous quality improvements across the institution in the execution of the Department's mission. A performance based management contract is considered to be the appropriate contract type for the M&O of LBNL.

The University, as a non-profit research university of the State of California, manages the Laboratory and performs scientific research and development as a public service to the nation, under a cost-reimbursement contract. The University provides reasonable assurance, pursuant to and subject to the limitations of, its terms, that funds or indemnifications are available to the University to safeguard it against liabilities or losses associated with its role as the Contractor.

The University is responsible for performing agreed-upon scientific and technical programs with the highest possible quality; fostering an environment at the Laboratory conducive to scientific inquiry, the pursuit of new knowledge, and the development of creative ideas related to important national interests; and managing the Laboratory in accordance with world-class standards.

DOE and the University recognize that in performing the Contract there must be an appropriate balance between the conduct of world-class scientific and technical research and the conduct of activities necessary for the prudent operation of the facility, the management of the workforce, and the safe conduct of research.

The University utilizes a variety of mechanisms to review, assess, and advise on matters related to the operation of the DOE laboratories that it manages, including but not limited to: the Regents' Committee on Oversight of DOE Laboratories, a Council on National Laboratories advisory to the President of the University, the Laboratory Senior Management Council, the National Laboratory Coordinating Council, the Laboratory Operations Management Council, peer reviews, and faculty initiatives under the Academic Senate.

3 Contract DE-AC03-76SF00098 Summary and Principal Features

The Contract is implemented by the Federal Acquisition Regulations (FAR) and the Department of Energy Acquisition Regulations (DEAR) as a cost reimbursement contract with performance-based management provisions. This type of contract arrangement uses performance objectives, criteria, and measures agreed to in advance on a fiscal year basis.

The contract includes a special clause entitled "Performance-Based Management," and Objective Standards of Performance, addressed in Appendix F of the contract, which collectively define a process by which UC conducts a self-assessment of its performance and then evaluated by DOE. Under this process, DOE evaluates UC performance at the laboratory in two broad categories—Science and Technology (S&T), and Operations and Administration (O&A).

The Contract between UC and DOE is for the management and operation of LBNL. The primary funding office for LBNL is science with approximately 85.3 percent.

3.1 Scope of Work

The Contractor shall furnish intellectual leadership and the necessary personnel and management expertise required for the management and operation of the Laboratory. A detailed description of the contract Statement of Work (SOW) is included in Appendix E of the Contract. The scope of work performed by the contractor is very complex and includes:

- Fundamental and applied research in the energy sciences, including advanced materials research, chemical sciences, earth sciences, fossil, fusion, and nuclear energy research, and conservation and renewable energy research;
- Basic research in the general sciences including nuclear physics, high energy physics, and astrophysics as well as accelerator and advanced detector research and development.
- Life and environmental sciences research in the genetics, structures and function of biological systems, biomedical applications, and the characterization and improvement of the environment;
- The maintenance of a strong, multi-disciplinary, scientific and engineering, computational and information sciences base responsive to scientific issues of national importance;
- Development and operation of unique national experimental facilities for use by qualified investigators;
- The advancement of science, mathematics, and engineering education;
- Performance of technology transfer and work for others including programs designed to enhance national competitiveness in the global economy; and
- Management and operation of the Laboratory facilities and site.

3.2 Contract Type

Contract Number DE-AC03-76SF00098 is a cost reimbursement management and operating contract with “performance-based management provisions.” The negotiated in the 1997 contract was extended for a five (5) year period of performance beginning October 1, 1997 and ending September 30, 2002. The period of performance was extended for an additional three (3) years by several contract modifications for various administrative and while the Secretary of Energy determined an extend/compete decision. The contract expiration date is January 31, 2005 to allow the recompetition of the contract.

4 Organizational Roles and Responsibilities

4.1 Site Manager

The Site Manager provides the SC on-site presence and is responsible for implementing DOE-HQ policy and direction. The Site Manager has line management authority and

responsibility to integrate administrative and operations requirements into program missions. These responsibilities include: a) sets and communicates expectations, integrates DOE requirements, authorizes funds, and provides feedback to the contractor, b) monitors overall operations, reviews and approves work and coordinates activities related to assigned programs and projects, c) maintains and protects Federal assets, d) manages the Site Office staff and administrative systems to assure effective operations, and executes responsibilities as Administrative Contracting Officer.

4.2 Chief Counsel

The Chief Counsel acts as the chief legal advisor to the Site Manager and is responsible for overall legal performance and intellectual property services, which are necessary to carry out the responsibilities. The Chicago Operations Office is providing this service to the BSO by providing a legal attorney and a patent attorney on site. Both individuals report to the Office of Counsel in Chicago and are assigned as to the Site Manager as legal advisors in connection with functions and programs administered by BSO.

4.3 Institutional Program Manager (IPM)

The IPM serves as an integrator and coordinator of programs at the institutional and functional level. The IPM provides a site-based operation which emphasizes performance-based oversight and assessment, resolution of cross cutting management and infrastructure issues,

- Manages and coordinates operation activities for the Site Office.
- Performs COR duties.
- Review and approve contract deliverables
- Provide guidance to the contractor
- Develop contractor performance measures, develop performance ratings and provide feedback to the contractor
- Authorize work through formal processes, such as LDRD
- Perform program management/implementation as delegated by program sponsors
- Accomplishing construction project management activities per DOE Order 413.3.
 - Ensures all project interfaces are identified, completely defined and managed to completion.
 - Identifies and defines appropriate and adequate project technical scope, schedule and cost parameters.

- Performs monthly reviews and assessments of project performance and status against established performance parameters, baselines, milestones and deliverables.
- Plans and participates in project reviews, audits and appraisals as necessary.
- Reviews and comments on project deliverables (e.g., drawings, specifications, procurement and constructions packages.)
- Reviews change requests (as appropriate) and support change control boards as requested.
- Supports the preparation, review and approval of project completion and closeout documentation.

The Chicago Office also provides matrix support in the area of Project Management and Facilities Management, which includes maintenance.

4.4 Operations Manager (OM)

The OM ensures that the environment safety and health and quality assurance requirements are being met at the Laboratory.

4.5 Contracting Business Manager (CBM)

The CBM develops and maintains a team that consists of functional staff. The Contracting Business Manager Team is responsible for the full range of site functions and responsibilities. The responsibilities include:

- Coordinates the development, and performs assessments as assigned, of programmatic, operational, and administrative activities for the annual Laboratory performance objectives, assessments, and communicates the results to the Laboratory management.
- Coordinates the development of and issues an annual Assessment Management Plan for the site.
- Serves as the integrator of site-wide guidance and direction provided to the Laboratory from BSO.
- Acts as liaison to coordinate activities from HQ to the contractor.
- Provides advice, assistance, and any supplemental site-specific guidance to the contractor, as necessary.
- Maintains awareness of relationships with Federal, state, and local authorities and keeps fully informed on matters dealing with compliance of Federal, state, and local regulations applicable to the site.

- Provides advice to the Manager concerning pending DOE actions as they might affect the site or Site Office operations.
- Advises and informs of contractor activities and reports items of interest or concern regarding such activities to the Manager as appropriate.
- Responsible for administration of the Work for Others program.
- Due to the staffing level at the BSO, the responsibility for the effective and efficient stewardship of personal property owned by DOE, Organizational Property Management Official (OPMO) and Contracting Officer should reside in one position. The OPMO responsibility is currently residing in the Chicago Operations Office, and not with the Property Administrator.

4.6 Contractor Human Resource Management

Services to BSO for Contractor Human Resource Management will be provided as follows by the Integrated Service Center in Chicago for the functions of Compensation, Benefit Administration, Workforce Planning and Restructuring, Labor Relations, Labor Standards (Davis-Bacon and Service Contract Act), Risk Management, Employee Relations, and Quality of Work Life:

- Performance Management – Negotiation and evaluation of contractor performance objectives and measures
- Operational Awareness – Identification of items related to the contracts and oversight that are reoccurring and necessary to ensure proper oversight.
- Contract Administration
- Analysis of contractor proposals
- Negotiation of allowable human resources costs.
- Subject Matter Expertise – Provide advice and assistance to senior management, site office management, and procurement officials on human resources issues and HR external regulations
- Support of Procurement Actions
- Develop HR evaluation criteria
- Assessment of contractor proposals in support of SEBs.
- Identify issues to address for contract extensions and competitions
- Analysis and formulation of response to issues raised through external agency investigations (i.e., IG/GAO/Congress/EEOC)
- Coordination of the review and implementation of DOE HR-related policies, directives, and HQ guidance.
- Labor Standards – administer the Labor Standards committees, and make Davis-Bacon Act and Service Contract Act wage and coverage determinations.

4.7 Real Property

The Chicago Office provides matrix support to the BSO for the management and disposal of real property assets. The responsibility for the acquisition, management and disposal of real property has been delegated in the Chicago Office to the Certified Realty Specialists (CRSs) with

the exception of donations and condemnation of real property for federal use. All contractor real estate actions are to be submitted to the CRSs for review and concurrence. This includes property managed by the Management and Operating contractor as well as other contractors and grantees. The main areas in real property management and their associated activities are listed below:

Acquisition

- Fee, lease, Easement or License
- Review of contractor acquisitions through lease, easement or license
- Coordination with the General Services Administration for the acquisition of space to house federal employees or determine if government-owned or GSA controlled space is available for contractor use via lease

Disposal

- Disposal of real property improvements without the underlying land
- Coordination of disposal with General Services Administration (GSA) and Housing and Urban Development (HUD) Utilization
- Monitor building utilization through data reported in FIMS and coordination with Site Office.
- Perform annual property reviews to verify continuing property requirements
- Facility Information Management System (FIMS)
- Provide guidance and assistance to contractor personnel
- Run quarterly data population checks on all FIMS required data fields. Data checks on data elements associated with deferred maintenance reporting are run annually. (Note: The site office confirms that the data is accurate and complete; therefore, these reports should also be run by the Site Office.
- Ensure FIMS cost data is reconciled with the Management Analysis Reporting System (MARS)
- Provide input to Headquarters
- Provide data and reports to requesting offices with CH

5 Delegated Authorities and Responsibilities

Chief Operating Officer has been designated by the Agency Head as a “contracting activity” and has been delegated broad authorities and responsibilities regarding acquisition functions. These delegations are formal written delegations from the Procurement Executives containing dollar limitations and conditions. The Chief Operating Officer, is the HCA for BSO and has overall responsibility for managing the DOE contracting activities. The HCA redelegates contracting authority through the appointment of Contracting

Officers (COs) for pre-award and post-award activities. The HCA and the Contracting Officer may appoint and designate Contracting Officer Representatives (CORs) for post-award activities. The appointments and designations shall take the form of either a “Certificate of Appointment” or a “Contracting Officer (COR) Designation Letter.” In either case, the appointment will spell out the specific authorities, responsibilities, and limitations of the COR’s delegation of authority.

5.1 Contracting Officer

The Contracting Officer (CO) has the delegated authority to bind or commit the Government only to the extent of the authority delegated to them. These responsibilities include all activities necessary to solicit, negotiate, award, administer, eliminate and make related determinations and findings within their scope of authority. The following officials have Contracting Officer authority for LBNL:

- Sandra R. Silva
- Maria C. Robles
- Randolph Gon
- Richard H. Nolan

5.2 Contracting Officer Representatives

Contracting Officer Representative and Alternate Contracting Officer Representative are individuals designated and delegated limited authority by the HCA for the sole purpose of administering specific contract terms and conditions. The Contract does not contain a technical direction provision. Accordingly, COR’s must rely on their specific delegated authority to review, process, approve or disapprove of, deliverables or systems within their subject matter expertise. The COR’s have no authority to bind or commit the government.

5.3 Functional Expert

The term “Functional Expert” is synonymous with a Subject Matter Expert (SME). A Functional Expert is the person assigned the functional responsibility cited in Environment Safety and Health (ES&H) Functions, Responsibilities, and Authorities Manual (FRAM), or described by their position description, or otherwise specified in DOE Directives that are incorporated in the contract. A Functional Expert may support the COR in performance of day-to-day contract administration activities. However, absent a specific delegation of authority, a Functional Expert **does not have the authority to act as a designated COR**. Therefore, in executing their assigned responsibilities, Functional Experts are not authorized to change the terms and conditions of the contract, increase or decrease contract cost, or determine allowability or unallowability of costs. As with CORs, Functional Experts are subject to the Ethics in Government Act and the Procurement Integrity Act.

5.4 Management and Operating Contract Administration Delegated Authorities and Responsibilities

Authority and responsibility delegated to support the post-award contract administration activities of the contract may include providing direction to the contractor which redirects the contract effort, shifts work emphasis between work areas or tasks, requires pursuit of certain lines of inquiry, approves systems and reports, and offers corrective measures for correcting deficiencies. The redirection of contract effort or shifts in work emphasis are to be carried out in accordance with DOE Order 412.1, "Work Authorization System" and contract clause 2.2 "Work Authorization," for program areas and clause 970.5204-2 "Laws, Regulations and DOE Directives" for changes in operations or administrative standards. Substantial changes that may impact cost and schedule are to be coordinated with the Contracting Officer.

CORs may provide contractor direction only within the scope of their specific delegation. Moreover, COR authority and responsibility for post-award administration of the Contract shall not effect the scope of work, contract terms and conditions, increase or decrease cost, or determine allowability or unallowability of costs. Post-award contract administration documents generated by the COR or Alternate COR are maintained in contract administration files using the three part file code designation file code for inclusion in the official file for the contract.

The format used to file for post-award administration of the contract is as follows:

Example:

SECTION 2.0 STATEMENT OF WORK/PERFORMANCE

CLAUSE 2.2	WORK AUTHORIZATION (SPECIAL)
Requirement:	Develop and agree on a Program Budget Plan
Delegated To:	Institutional Manager
Deliverable:	Budget Plan
File Designation:	2.2 – Work Authorization

6 Communication

The purpose of Contract Administration is to promote outstanding contractor performance in an effective and efficient manner. Due to the varying degrees of contract authority and responsibility delegated within the current contract, both formal and informal communication protocols must be carefully followed by all parties to prevent the misapplication of contract effort and direction. The Site Manager serves as an integrator and coordinator of BSO program, institutional and functional areas of responsibility on site

and in this role provides a structured and integrated approach for coordinating oral and written directions between BSO and the contractor.

6.1 Formal Communication

Formal communication occurs between individuals who are authorized to represent the contracting parties. The Regents of the University of California and the DOE are the contracting parties. The University's Office of the President, Laboratory Administration Office (UCLAO) has been designated by The Regents to represent the University of California and is responsible for administering the contract. The Contracting Business Manager, Contract Specialist, and the designated CORs have been appointed and designated to administer and manage UC LBNL contract for the DOE. Formal communication consists of written letters, email transmission as well as oral communication when it is followed up in writing.

6.2 Informal Communication

Informal communication can occur between any DOE employee and any UC LBNL employee. This type of communication is non-binding for both the Government and the contractor and does not constitute contract direction. Informal communication can take the form of written correspondence, electronic mail, retrievable databases, telephone calls, unsigned facsimiles, presentations, meetings, or other means. OAK personnel are expected and encouraged to engage in informal communications with UC LBNL employees in the performance of their oversight responsibilities but not commit or bind the government.

6.3 Non-BSO Communication

The contractor may be required to communicate with other than BSO employees in conjunction with performance of the work scope. These other parties could be: DOE Headquarters, DOE Headquarters Environment, Safety and Health Programs, Environmental Protection Agency (EPA), Occupational Safety and Health Administration (OSHA), local community government representatives, stakeholder groups, media, and the general public. Such communications should be coordinated with and/or monitored by the Public Affairs Manager? [\(Not sure on this one.\)](#)

7 Contract Administration and Contract Management

Contract Administration includes those functions specified in FAR Subpart 42.3 and involves activities that need to be performed by multi-disciplinary teams of Subject Matter Experts (SME). Within DOE, contract administration is a "cradle-to-grave" process and in the case of M&O contracts, the activities start with the "Extend or Compete" process and continue throughout the post-award stage of the contract, including contract closeout.

Contract Administration activities in support of the contract include formal and informal actions taken by the Contracting Officer. Formal actions include such matters as issuing

written determinations of allowability of cost, approval of subcontracts, approval of contractor purchasing procedures and systems, reviewing and approval of compensation and benefit programs, reviewing and approving contractor proposed insurance and risk financing arrangements, and fee determinations. Informal actions include those day-to-day interactions and verbal communications with the contractor that are necessary to ensure that the contractor understands and performs in a manner which meet the objectives of the DOE.

Contract Management includes those tasks or management actions not specifically called out in the FAR, but that are necessary to carry out the Government's commitments (e.g. technical management of projects, establishment of site specific requirements, budget formulation, etc.) under the contract. Such actions are performed by the designated CORs, other Chicago staff, and Office of Science staff.

8 Contract Management

This section provides a general description of contract management activities required to ensure contract requirements are being met and performance is meeting expectations. It is intended to provide sufficient information to perform contract administration functions to ensure successful management of the contract.

8.1 Work Authorization System (WAS)

The Statement of Work (SOW) is the broad statement of supplies and services that the contractor is expected to be able to provide. The SOW is the work description that establishes the basis by which all other work direction is prepared. The BSO personnel follow the guidelines set forth in DOE Order (O) 412.1 "Work Authorization System (WAS)" to direct work to be performed by the contractor and to manage the change control process as to scope, cost and schedule. The WAS is described in contract clause H.004.

The annual work program and budget are principal devices used by DOE in program development, integration, execution, and cost estimating. Work programs are developed by the contractor and approved by DOE in accordance with DOE O 412.1. Work programs may include program and project performance objectives and milestones.

To make the work program and budget most effective in assuring comprehensive coverage of DOE missions, it is the responsibility of DOE to keep the operators of DOE's laboratories continually advised of DOE's overall program goals, scientific and technological problems, and current long range objectives. In light of such information, the contractor will propose possible new objectives and present preliminary work programs in the area of its competence which, from its point of view, will either: 1) strengthen the overall DOE program or provide additional support in areas which, in the contractor's judgment, are being inadequately exploited; or 2) initiate new areas of investigation which appear of potential importance.

It is the responsibility of DOE/HQ with input from BSO, to formulate overall program budgets, taking into consideration the proposals submitted by the contractor, consistent with funds appropriated by Congress and all its other program needs. The contractor shall prepare a final work program and budget consistent with DOE's overall program budget. Upon DOE approval, it is the contractor's responsibility to conduct its work program within limits established by these approvals unless DOE modifies them.

As early as possible in each calendar year, DOE provides the contractor with the proposed funding levels for the Laboratory as contained in the President's Budget; with Program assumptions and guidance which the contractor will be expected to consider in the development of its program and budget; and with all changes to existing budget and accounting policies and procedures to be used in the current budget preparation.

Prior to [April 15](#) (or such other date as may be agreed upon) the contractor submits to DOE for approval a comprehensive work program for the next two fiscal years, together with a description of the current work program, a budget estimate for the next two fiscal years, and a revised budget estimate for the current fiscal year.

As soon as possible after October 1 of each year, DOE-HQ provides Work Authorizations and an Approved Funding Program to the contractor for the current fiscal year. DOE approved work programs, program performance expectations and milestones as appropriate, and budget estimates shall be reflected in Work Authorizations, Annual Program Letters, Activity Data Sheets, Program Baseline Summaries and Approved Funding Programs. These documents will be issued concurrently as the funds become available. If, in preparing Work Authorizations, Annual Program Letters, Activity Data Sheets, Program Baseline Summaries and Approved Funding Programs, it is determined that changes are needed in the work program and budget estimates submitted by the contractor, DOE and the contractor shall agree upon the changes in the work before final issuance of these documents.

The Work Authorizations and Annual Program Letters, with respect to work funded by the office of Environmental Management, Program Baseline Summaries and Approved Funding Programs, specify the funds available for work under the Contract for the fiscal year and, in addition, may establish limitations on costs to be incurred for individual portions of the work. The contractor shall comply with such limitations and shall promptly notify the Contracting Officer, in writing, whenever it becomes apparent that there is likely to be an overrun with respect to any specific limitation in the Work Authorization or Annual Program Letters, and with respect to the work funded by the Office of Environmental Management. Funds made available for work under the contract, and set forth in Approved Funding Programs or other funding documents, shall not be reduced except by written agreement of the Parties.

8.2 Inspection of Research and Development

Inspection of the work performed, or being performed under the contract, and the premises where the work is being performed, shall be accomplished by the Contracting Officer or by the COR that has been delegated authority and responsibility. The contract clause governing inspection is FAR 52.246-9 "Inspection of Research and Development (Short Form)".

8.3 Integrated Safety Management System (ISMS)

The DOE, in response to the Defense Nuclear Facilities Safety Board (DNFSB) Recommendation 95-2, committed to implementing a plan to institutionalize an Integrated Safety Management System (ISMS) across the DOE complex. The plan uses contract clauses that require contractors to follow ISMS objectives, guiding principles and core functions, and to describe the approach for implementing and tailoring an SMS to the operating contractor activities.

In managing and operating the laboratory, the contractor shall be held accountable for safety management performance. This is accomplished by incorporating the standard DEAR Clause 970.5204-2, "Integration of ES&H into Work Planning and Execution", into the contract and as a flow down provision to subcontractors performing complex and hazardous work at the laboratory. The standard DEAR clause requires contractor compliance with all applicable laws and regulations.

It is the policy of BSO that the SMS described within DOE Policy 450.4 "Safety Management System Policy" shall be used to integrate safety into management and work practices at all levels so that missions are accomplished while protecting the public, the worker, and the environment. The policy states, "The Department and Contractors must systematically integrate safety into management and work practices at all levels so that missions are accomplished while protecting the public, the worker, and the environment." This is accomplished through effective integration of safety management into facets of working planning and execution.

Performance metrics are negotiated annually between the contractor, BSO and LBNL. These metrics describe what is to be measured and contain target performance levels that are used to rate performance as part of an annual contract appraisal process. All three parties monitor performance during the year and performance is evaluated at the end of the year by the contractor and BSO. The ES&H performance metrics are designed to evaluate both the ES&H outcomes and the management systems that produce those outcomes. The three parties have been working to understand the ES&H performance metrics used by the best performing organizations in both the public and private sectors and have adopted or adapted their methods and their performance measures where applicable. The Site Manager is responsible for ensuring that the plan is implemented.

The SMS employs five core safety functions designed to provide the necessary structure for any work activity that could potentially affect the public, the workers, and the environment. The five core safety functions are:



The core functions are applied as a continuous cycle with the degree of rigor appropriate to address the type of work activity and the hazards involved. The seven Integrated Safety Management (ISM) guiding principles are the fundamental policies that guide BSO and the contractor actions, from development of safety directives to performance of work. The seven guiding principles are:

- Line Management Responsibility for Safety
- Clear Roles and Responsibilities
- Competence Commensurate with Responsibilities
- Balanced Priorities
- Identification of Safety Standards and Requirements
- Hazard Controls Tailored to Work Being Performed
- Operations Authorization

Together, BSO and the contractor are committed to protecting human health, and the environment through the safe operations and management of the laboratory facilities. BSO expects excellence in terms of environment, safety and health performance. BSO has zero tolerance for management failures that result in serious accidents, such as life threatening injuries or major environmental releases. Safety Management Systems provide a formal, organized process whereby people plan, perform, assess and improve the safe conduct of work. Direct involvement of workers and a multi-discipline team approach during the development and implementation of safety management systems is essential.

8.4 Integrated Safeguards and Security Management (ISSM)

The DOE, in response to the Under Secretary for Nuclear Security and Administration committed to implementing a plan to institutionalize an Integrated Safeguard and Security Management program (ISSM) across the DOE complex. The plan will require contractors to follow ISSM objectives, guiding principles and core functions, and to describe the approach for implementing and tailoring an ISSM to the operating contractor activities. In managing and operating the laboratory, the contractor shall be held accountable to ensure that management of safeguards and security functions and activities become an integral and visible part of LBNL's work planning and execution processes.

8.5 Performance-Based Management Program

In accordance with clause 2.6, Performance-Based Management (Special), it is recognized that the contract is a management and operating contract arrangement that is performance-based. The performance-based contract uses clearly defined performance, objectives, criteria, and measures agreed to in advance on a fiscal year basis. The standards are used for the appraisal and evaluation of the work under this contract for operations and administrative areas. This performance-based contract is supported by a system that includes: (1) the utilization of self-assessment and integral oversight methodologies, systems, and processes to enhance operational efficiency and performance effectiveness; (2) the use of peer review and self assessment in the appraisal and evaluation of science and technology/programmatic performance performed under this contract; and (3) such other administrative processes and procedures as the BSO and contractor may mutually agree to from time to time, as deemed necessary to effect the intent of the

The Performance Based Management (PBM) process balances the Laboratory's performance of S&T programs with performance of management, and O&A programs. An annual total of 1000 points are allocated under the contract. Each performance measure is assigned one of the five-tier adjectival rating descriptions of Outstanding, Excellent, Good, Marginal or Unsatisfactory based on achievement of performance objectives established in Appendix F. The overall "rating" for the Laboratory is based on BSO (and HQ's for S&T) evaluation of the Laboratory Management, S&T, and O&A areas averaged together.

The annual rating process includes the contractor's self-assessment against negotiated performance objectives. The contractor's self-assessment findings are reviewed and validated by BSO. Consistent with the terms and conditions of the contract, the contractor

recognizes and accepts that DOE may consider other pertinent information (i.e. major environment, safety, and health performance issues or significant mission disruption) to arrive at the annual rating of the Laboratory's overall performance.

The performance objectives developed by a DOE Headquarters working group in 1993 for S&T continue to be utilized in the current contract. The BSO Functional Managers coordinate the development of the O&A performance objectives with Chicago, Office of Science counterparts to ensure that performance objectives are aligned with Headquarters expectations.

The PBM program is a value-added, cost-efficient and effective method of contract administration and performance management that is consistent with DOE's Business Management Oversight Program and Policy and the Government Performance and Results Act.

The goal of the program is to meet BSO's Laboratory stewardship and performance management obligations through strategic planning; ongoing operational awareness (oversight); and formal contract actions, particularly as they relate to the measurement and assessment of the contractor's performance against contractual objectives. The program relies heavily on the contract agreements to Performance Objectives, Criteria, and Measures (POCMs); agreement for performance; contractor self-assessments; and cost-effective, results-oriented operational awareness.

The major elements of the program include the agreement of all parties to:

- use sound management principles to plan, budget, execute, and evaluate science and technology and operations and administration;
- partner as much as practical in strategic planning of Laboratory operation and management;
- establish performance expectations, metrics, and data collection methods which are appropriate, results-oriented, and cost-beneficial; and
- work towards a level of communications, partnership, and trust that minimizes DOE's need for conducting formal on-site reviews.

The BSO PBM program relies heavily on contractor self-assessment and BSO operational awareness and evaluation activities that are a shift from past compliance approaches to performance results and improvements closely tied to the contract performance objectives, criteria, and measures.

The PBM program encompasses the following processes and products:

- Annual review and agreement to POCMs which result in a Contract Modification to Appendix F, Objective Standards of Performance.

- Annual Assessment Management Process which results in a formal Plan describing BSO's anticipated oversight and operational awareness activities supporting its annual appraisal and evaluation of Laboratory performance.
- Annual contractor Self-Assessment of Laboratory performance which results in a formal, written report documenting the evaluation of contractor performance.
- Annual DOE Evaluation and Appraisal of contractor performance which results in a formal report documenting BSO's validation of the contractor Self-Assessment and independent evaluation of Laboratory performance.

Contractual Objective Standards of Performance are included in the contract as Appendix F. These standards are established by BSO and the contractor with the Laboratory to:

- Seek innovative solutions and to strive for continuous improvement in work processes;
- Appraise and evaluate laboratory management performance of the Laboratory;
- Appraise and evaluate the science and technology performance of the Laboratory;
- Appraise and evaluate the operations and administrative performance of the Laboratory;
- Determine the amount of program performance fee in accordance with Clause 5.3 "Program Performance Fee"; and
- Determine a senior management salary increase multiplier to be applied to the Laboratory.

8.5.1 Performance-Based Management Program Roles and Responsibilities

BSO and the contractor have specific roles and responsibilities related to the ongoing performance assessment and appraisal process and program. The BSO roles and responsibilities are described below:

<i>Roles</i>	<i>Responsibilities</i>
Site Manager	<ul style="list-style-type: none"> • Chairs the PRB. • Determines and approves the final written assessment and evaluation report of the contractor's performance. • Determines annual program performance fee amounts. • Establishes the membership for the Performance Review Board (PRB). • Provides guidance to the PRB on conduct of development, administration, and evaluation of contractor performance. • Obtains SC-Hq concurrence for the annual program performance fee amounts. • Presents and defends the annual Evaluation and Appraisal Report to the PRB, Laboratory Director, and HQ. • Serves as the Functional Manager for Laboratory Management and Science and Technology performance assessment.
Performance Review Board	<ul style="list-style-type: none"> • Chaired by Manager. • Membership consists of: BSO Team Leads and Site Manager.

<i>Roles</i>	<i>Responsibilities</i>
	<p>Advisors consist of Business Center, CFO, Contracting Officer, and Chief Counsel.</p> <ul style="list-style-type: none"> • Serves as senior management's focal point for continuous improvement in the PBMP. • Provides policy guidance for the annual development of POCMs. • Promotes consistency of intent, structure, implementation, and quality assurance of the performance-based management program. • Validates, concurs, and resolves any disputes arising from annual evaluation of the Laboratory. • Reviews and recommends to the Site Manager the annual Evaluation and Appraisal Report for Contracting Officer signature.
Contract and Business Management Team	<ul style="list-style-type: none"> • Manages and maintains the Performance-Based Management Program including policy, communications with and advisor to the PRB, and functional manager (FM). • Provides overall guidance for the performance assessment process. • Consolidates and coordinates the final Evaluation and Appraisal Report for review by the Manager and the for CO signature. • Co-signs the AMP. • Serves as the Functional Manager for Procurement and Property Management. • Briefs PRB and FMs on final POCMs prior to issuing Contract mod. • Contracting Officers executes the formal contract modifications to revise the annual POCMs. Maintains the supporting data sheets. • Conducts the quality assurance of the POCMs and annual Evaluation and Appraisal Report. • Issues contract modifications for the annual POCMs and Program Performance fee determination.
Functional Manager (FM)	<ul style="list-style-type: none"> • Annually develop POCMs of performance in assigned functional areas consistent with overall guidance from the PRB and Laboratory. • Coordinates with HQ counterparts the final POCMs, if applicable. • Ensures linkage to SCOne, GEPRAs and DOE Strategic Plan as appropriate. • Formulates AMP and supporting data sheets for their receptive areas and submits to Site Manager(s) and Contracting Officer. • Directs the ongoing assessment process for their respective functional areas in response to calls/schedules and based upon established criteria. • Communicates requirements for and track progress of annual POCMs. • Observes Laboratory self-assessment process. • Conducts annual performance validation, evaluation, and prepares the Evaluation and Appraisal Report for the assigned functional areas.

8.5.2 Annual Schedule for Performance-Based Management Program

An integrated schedule for the annual contractor Performance-Based Management Program is developed in consultation with the contractor, the Laboratory, and DOE; and is distributed as an internal supplement.

8.5.3 Assessment Management Plan (AMP)

The objective of the AMP is to document, each fiscal year, the ongoing operational awareness activities to be conducted by BSO pertaining to the contractor's management and operation of LBNL in accordance with the contract provisions, including the Objective Standards of Performance (Appendix F).

BSO will provide a level of operational awareness commensurate with the potential programmatic impact, risks, or other factors associated with a given activity, i.e., the use of a graded approach that:

- contributes to a single, annual integrated management oversight system;
- addresses contractual oversight in a value added and cost effective manner without creating significant new formal procedures and documentation requirements;
- shifts approach focus from exclusive compliance to performance results and improvements;
- reflects increased reliance on contractor self-assessment and acknowledges the contractor's responsibility for managing compliance with contract requirements;
- supports the annual measurement and assessment of the contractor's performance against contract performance objectives, criteria and measures;
- aims to minimize the Department's need for conducting on-site reviews by increased knowledge of the contractor's operations;
- optimizes use of resources through avoidance of duplicate and low value activities; and
- further understandings between the contractor and BSO in establishing clear expectations and common objectives.

Success in meeting this objective will be evidenced by increased DOE awareness of contractor activities and demonstrated successful implementation of DOE and contractor strategic plans and DOE-HQ objectives, as applicable, in BSO contract administration activities.

The Site Manager is responsible for assuring that the annual AMP plan is developed in accordance with BSO's PBM program. The Functional Managers are responsible for their respective input into both the AMP and conducting of year long operational awareness and performance assessment activities.

Consistent with contract requirements and BSO's PBM Program, BSO, the contractor and LBNL jointly develop annual contract performance objectives, criteria and measures and are documented in a final contract modification. Concurrently, Functional Managers achieve an understanding of the respective plans for the contractor's self-assessment and document BSO's operational awareness and assessment activities in the BSO AMP.

BSO's appraisal of contractor performance relies substantially, though not exclusively, upon a comprehensive and credible contractor self-assessment. The contractor's self-assessment should, when applicable, include factors beyond the contract performance objectives, criteria and measures. Compliance with contract requirements is a part of ongoing self-assessment and operational awareness. BSO's operational awareness activities and BSO's validation of LBNL self-assessments emphasize a "trust but verify" methodology of oversight. Emphasis on oversight includes evaluation of adequacy of management systems and management attention to obtain expected results and verification of results.

BSO's assessment of the contractor's performance in managing and operating LBNL results from the implementation of this methodology and the AMP.

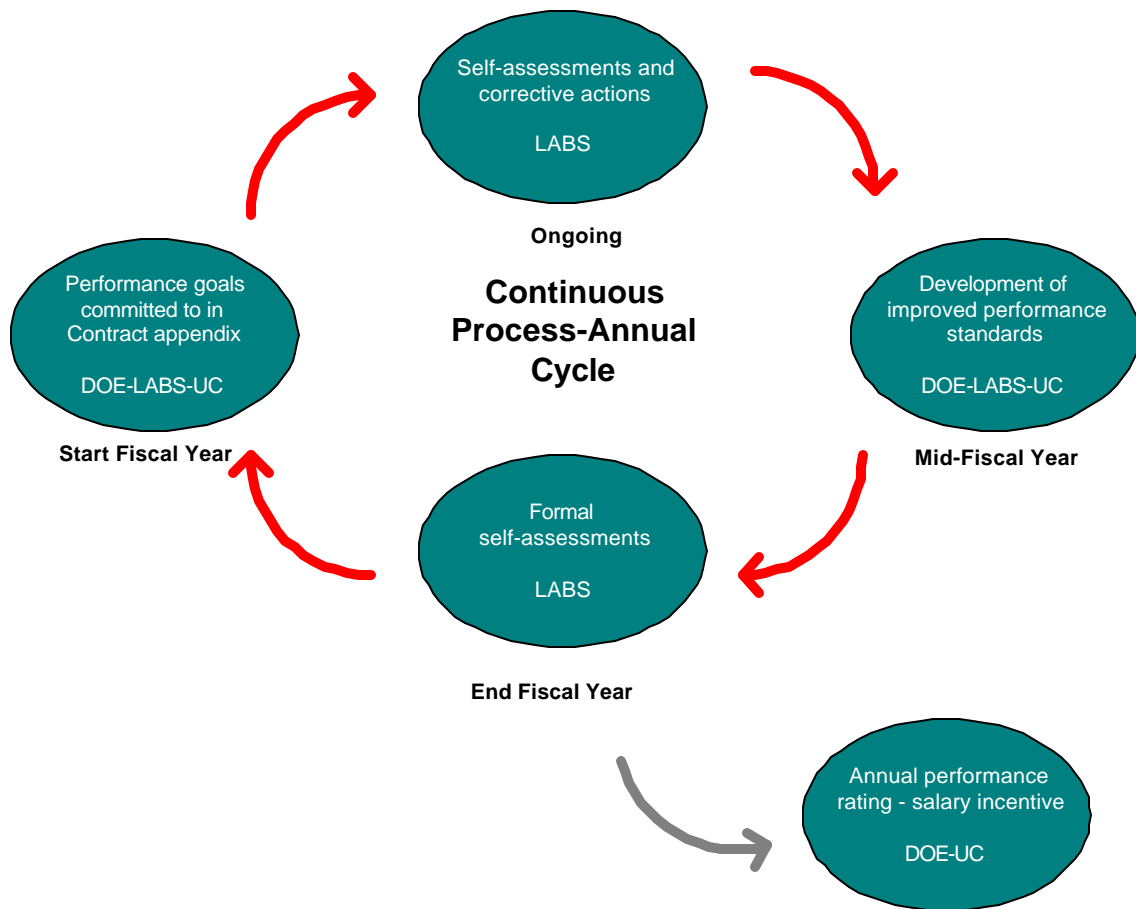
In addition to the annual assessment, "for cause" reviews may be required for the following reasons:

- a single or limited number of events that may be significant indicators of diminished contract performance;
- performance trends which indicate a need for improvement;
- implementation of new contract requirement; and/or
- new management systems which require validation.

Depending on the nature of the issue, "for cause" reviews may be accommodated independent of, in addition to, or as a part of the operational awareness activities identified in the AMP. As "for cause" reviews may be initiated when DOE notes possible risk factors on contract performance, the contractor is provided with feedback on the results of such reviews orally and/or in written reports.

8.5.4 Performance-Based Management Process

Following is a diagram of the performance-based management process that is used in the development of ongoing self-assessment and annual review.



8.6 Appendix F, Laboratory Appraisal and Evaluation

Appendix F to the Contract describes the various components of the Laboratory appraisal and evaluation process, including the criteria for the conduct of peer review of science and technology, the current performance objectives, criteria, and measures for laboratory management, operations and administration, and the relative weights and scoring scheme for overall evaluation and appraisal of contractor performance. Appendix F, current and archived POCMs, are located on the web at <http://labs.ucop.edu/internet/comix/>.

8.6.1 Evaluation of Science and Technology Performance

A major element of the evaluation and appraisal of the contractor's performance of science and technology shall be the comprehensive and balanced peer review process conducted by the contractor for the Laboratory through the University President's Council on the National Laboratories (the President's Council). The criteria for the peer review of science and technology performance at the Laboratory are described in Appendix F to the contract.

The President's Council, on an ongoing basis, reviews the strategic planning and programmatic performance in Appendix F. In evaluating program results the Council considers overall quality of science and the effectiveness of the Laboratory management efforts in fostering an atmosphere that is conducive to scientific inquiry and intellectual

freedom. In addition, the President's Council may periodically review selected crosscutting programmatic topics of importance to the Laboratory and DOE; Laboratory staff, DOE, and the President's Council will suggest topics for review.

The results of the President's Council peer review process will provide the basis for the contractor's self-assessment of science and technology performance, which will be provided to DOE consistent with the provisions of Appendix F.

DOE validates the contractor's self-assessment and consider the self-assessment and other pertinent information in formulating DOE's appraisal of contractor performance in science and technology.

8.6.2 Evaluation of Laboratory Management and Operations and Administrative Performance

Performance Appraisal Process. The process for the performance appraisal activities has been developed jointly by DOE and the contractor and is documented in the Guidance Document issued annually by the Performance-Based Steering Committee. This document provides the information and guidance on the process used to accomplish the annual appraisal and combines elements of self-assessment, oversight, and appraisal. The three major deliverables for these elements are:

DOE/UC Appraisal Plan (Appendix F). Appendix F is the annually negotiated POCMs by which DOE will appraise the contractor's performance. This plan provides the contractor with the expectations of DOE in terms of progress and quality of performance under the contract. Representatives from the BSO, the University, laboratories, and the University President's Office will develop POCMS applicable to all three (3) laboratories. Appendix F follows the intent of the Guidance Document for the Performance Appraisal Process. DOE reserves the right for the cognizant Field Office Manager to make the final decision on all performance measures.

UC Appraisal Self-Assessment Report. An annual report, to be prepared by the contractor, of the laboratory performance in predetermined functional areas as defined in the Appendix F.

DOE Performance Appraisal Report. An annual report prepared by DOE, which provides an evaluation of the contractor's performance during the prior fiscal year. This report communicates to the contractor DOE's assessment of contractor progress, quality of performance and any risk factors affecting contract performance.

DOE, in formulating its appraisal and evaluation of contractor performance of work will give primary emphasis and consideration to the contractor's self-assessment against Appendix F POCMs, recognizing that the Contracting Officer may take into account other pertinent information derived from the DOE appraisal program.

9 Contract Terms and Conditions

Contract Number DE-AC03-76SF00098 includes the following major sections that must be understood and complied with by BSO personnel involved in day-to-day contract administration:

PREAMBLE

1.0 GENERAL

CLAUSE 1.1 - DEAR 952.202-1 DEFINITIONS (OCT 1995) (MODIFIED)

CLAUSE 1.2 - FAR 52.215-8 ORDER OF PRECEDENCE (OCT 1997) (DEVIATION)

CLAUSE 1.3 - FAR 52.252-6 AUTHORIZED DEVIATIONS IN CLAUSES (APR 1984) (MODIFIED)

CLAUSE 1.4 - APPENDICES (SPECIAL)

CLAUSE 1.5 - THIRD PARTIES (SPECIAL)

CLAUSE 1.6 - FAR 52.203-5 COVENANT AGAINST CONTINGENT FEES (APR 1984)

CLAUSE 1.7 - UNIVERSITY-DIRECTED RESEARCH AND DEVELOPMENT (SPECIAL)

2.0 STATEMENT OF WORK/PERFORMANCE

CLAUSE 2.1 - STATEMENT OF WORK (SPECIAL)

CLAUSE 2.2 - WORK AUTHORIZATION (SPECIAL)

CLAUSE 2.3 - INTELLECTUAL AND SCIENTIFIC FREEDOM (SPECIAL)

CLAUSE 2.4 - LONG-RANGE PLANNING, PROGRAM DEVELOPMENT AND BUDGETARY ADMINISTRATION (SPECIAL)

CLAUSE 2.5 - AGREEMENTS TO PERFORM NON-DOE ACTIVITIES (SPECIAL)

CLAUSE 2.6 - PERFORMANCE-BASED MANAGEMENT (SPECIAL)

CLAUSE 2.7 - DEAR 970.5204-20 MANAGEMENT CONTROLS (AUG 1993) (MODIFIED)

3.0 FINANCIAL MANAGEMENT

CLAUSE 3.1 - DEAR 970.5204-9 ACCOUNTS, RECORDS, AND INSPECTION (JUN 1996) (MODIFIED)

CLAUSE 3.2 - DEAR 970.5204-13 ALLOWABLE COSTS (MANAGEMENT AND OPERATING) (MAR 1998) (DEVIATION)

CLAUSE 3.3 - DEAR 970.5204-75 PRE-EXISTING CONDITIONS (JUN 1997)
ALTERNATE I

CLAUSE 3.4 - DEAR 970.5204-15 OBLIGATION OF FUNDS (APR 1994)
(MODIFIED)
CLAUSE 3.5 - DEAR 970.5204-16 PAYMENTS AND ADVANCES (JUN 1997)
(MODIFIED)
CLAUSE 3.6 - FINANCIAL MANAGEMENT SYSTEM (SPECIAL)
CLAUSE 3.7 - INTEGRATED ACCOUNTING (SPECIAL)
CLAUSE 3.8 - FAR 52.230-2 COST ACCOUNTING STANDARDS (APR 1998)
(MODIFIED)
CLAUSE 3.9 - FAR 52.230-6 ADMINISTRATION OF COST ACCOUNTING
STANDARDS (NOV 1999) (MODIFIED)
CLAUSE 3.10 - LIABILITY WITH RESPECT TO COST ACCOUNTING STANDARDS
(SPECIAL)
CLAUSE 3.11 - DEAR 952.251-70 CONTRACTOR EMPLOYEE TRAVEL
DISCOUNTS (JUN 1995) (MODIFIED)
CLAUSE 3.12 - FAR 52.242-13 BANKRUPTCY (JUL 1995)
CLAUSE 3.13 - DEAR 970.5204-17 : POLITICAL ACTIVITY COST PROHIBITION
(DEC 1997) (MODIFIED)
CLAUSE 3.14 - PENSION PLAN (SPECIAL)
CLAUSE 3.15 - AGREEMENT PERTAINING TO PUBLIC EMPLOYEES
RETIREMENT SYSTEM (PERS) (SPECIAL)

4.0 LITIGATION AND CLAIMS

CLAUSE 4.1 - DEAR 970.5204-31 INSURANCE-LITIGATION AND CLAIMS (JUN
1997) (MODIFIED)
CLAUSE 4.2 - DEFENSE AND INDEMNIFICATION OF EMPLOYEES (SPECIAL)
CLAUSE 4.3 - DEAR 952.250-70 NUCLEAR HAZARDS INDEMNITY AGREEMENT
(JUN 1996)
CLAUSE 4.4 - DEAR 970.5204-61 COST PROHIBITIONS RELATED TO LEGAL
AND OTHER PROCEEDINGS (JUN 1997)
CLAUSE 4.5 - COSTS ASSOCIATED WITH DISCRIMINATORY EMPLOYEE
ACTIONS (SPECIAL)
CLAUSE 4.6 - DEAR 970.5204-23 STATE AND LOCAL TAXES (APR 1984)
(DEVIATION)

5.0 CONTRACT ADMINISTRATION

CLAUSE 5.1 - CONTRACT MODIFICATIONS (SPECIAL)
CLAUSE 5.2 - UC/DOE LEADERSHIP COUNCIL AND GROUP (SPECIAL)
CLAUSE 5.3 - PROGRAM PERFORMANCE FEE (SPECIAL)
CLAUSE 5.4 - LIABILITY LIMITATION (SPECIAL)

CLAUSE 5.5 - DEAR 970.5204-78 LAWS, REGULATIONS, AND DOE DIRECTIVES (JUN 1997) (MODIFIED)
CLAUSE 5.6 - DEAR 970.5204-11 CHANGES (APR 1984) (DEVIATION)
CLAUSE 5.7 - DEAR 970.5204-28 ASSIGNMENT (APR 1984)
CLAUSE 5.8 - DEAR 970.5204-42 KEY PERSONNEL (APR 1984) (DEVIATION)
CLAUSE 5.9 - DEAR 970.247-70 FOREIGN TRAVEL (FEB 1997) (MODIFIED)
CLAUSE 5.10 - FAR 52.233-1 DISPUTES (OCT 1995) ALTERNATE I (DEC 1991)
CLAUSE 5.11 - FAR 52.242-1 NOTICE OF INTENT TO DISALLOW COSTS (APR 1984)
CLAUSE 5.12 - FAR 52.242-15 STOP-WORK ORDER (AUG 1989) ALTERNATE I (APR 1984) (DEVIATION)
CLAUSE 5.13 - FAR 52.246-9 INSPECTION OF RESEARCH AND DEVELOPMENT (SHORT FORM) (APR 1984)

6.0 SITE MANAGEMENT

CLAUSE 6.1 - LABORATORY FACILITIES (SPECIAL)
CLAUSE 6.2 - PUBLIC AFFAIRS AND OUTREACH (SPECIAL)
CLAUSE 6.3 - ACCESS OF FOREIGN SCIENTISTS, GRADUATES AND POST DOCTORAL STUDENTS TO LABORATORY FACILITIES (SPECIAL)
CLAUSE 6.4 - DEAR 970.5204-12 CONTRACTOR'S ORGANIZATION (JUL 1994) (MODIFIED)
CLAUSE 6.5 - DEAR 970.5204-25 WORKMANSHIP AND MATERIALS (APR 1984) (DEVIATION)
CLAUSE 6.6 - DEAR 970.5204-43 OTHER GOVERNMENT CONTRACTORS (APR 1994) (MODIFIED)
CLAUSE 6.7 - DEAR 970.5204-2 INTEGRATION OF ENVIRONMENT, SAFETY, AND HEALTH INTO PLANNING AND EXECUTION (JUN 1997)
CLAUSE 6.8 - DEAR 970.5204-29 PERMITS OR LICENSES (APR 1984) (DEVIATION)
CLAUSE 6.9 - RESERVED
CLAUSE 6.10 - FAR 52.223-3 HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA (JAN 1997) (MODIFIED)
CLAUSE 6.11 - FAR 52.223-10 WASTE REDUCTION PROGRAM (OCT 1997) (MODIFIED)
CLAUSE 6.12 - DEAR 970.5204-21 PROPERTY (JUN 1997) (MODIFIED)
CLAUSE 6.13 - DEAR 952.208-7 TAGGING OF LEASED VEHICLES (APR 1984)
CLAUSE 6.14 - FAR 52.247-1 COMMERCIAL BILL OF LADING NOTATIONS (APR 1984)

CLAUSE 6.15 - FAR 52.251-2 INTERAGENCY FLEET MANAGEMENT SYSTEM (IFMS) VEHICLES AND RELATED SERVICES (JAN 1991)
CLAUSE 6.16 - DEAR 952.217-70 ACQUISITION OF REAL PROPERTY (APR 1984) (MODIFIED)
CLAUSE 6.17 - FACILITIES MANAGEMENT (SPECIAL)
CLAUSE 6.18 - DEAR 970.5204-76 MAKE-OR-BUY PLAN (JUN 1997) (MODIFIED)
CLAUSE 6.19 - EPIDEMIOLOGIC STUDIES OF WORKERS AT THE SITE (SPECIAL)
CLAUSE 6.20 - LEASE AND OCCUPANCY BY DOE OF REAL PROPERTY OR FACILITIES OWNED BY THE CONTRACTOR (SPECIAL)
CLAUSE 6.21 - FAR 52.223-5 POLLUTION PREVENTION AND RIGHT-TO-KNOW INFORMATION (APR 1998)

7.0 TECHNOLOGY TRANSFER/ INTELLECTUAL PROPERTY RIGHTS

CLAUSE 7.1 - 970.5204-40 TECHNOLOGY TRANSFER MISSION (JAN 1996) (DEVIATION)
CLAUSE 7.2 - RIGHTS IN DATA- TECHNOLOGY TRANSFER ACTIVITIES (SPECIAL)
CLAUSE 7.3 - PATENT INDEMNITY IN SUBCONTRACTS (SPECIAL)
CLAUSE 7.4 - FAR 52.227-1 AUTHORIZATION AND CONSENT (JUL 1995)
CLAUSE 7.5 - FAR 52.227-2 NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT (AUG 1996)
CLAUSE 7.6 - FAR 52.227-6 PATENT ROYALTY INFORMATION (APRIL 1984) (DEVIATION)
CLAUSE 7.7 - DEAR 970.5204-71 PATENT RIGHTS - NONPROFIT MANAGEMENT AND OPERATING CONTRACTORS (FEB 1995) (DEVIATION)
CLAUSE 7.8 - 41 CFR 9-9.106 CLASSIFIED INVENTIONS (JUN 1979)
CLAUSE 7.9 - ADDITIONAL TECHNICAL DATA REQUIREMENTS (SPECIAL)
CLAUSE 7.10 - RIGHTS TO PROPOSAL DATA (SPECIAL)

8.0 SUBCONTRACT MANAGEMENT

CLAUSE 8.1 - DEAR 970.5204-22 CONTRACTOR PURCHASING SYSTEM (NOV 1998) (MODIFIED)
CLAUSE 8.2 - RESERVED
CLAUSE 8.3 - DEAR 970.5204-33 PRIORITIES AND ALLOCATIONS (APR 1994)
CLAUSE 8.4 - DEAR 970.5204-39 ACQUISITION AND USE OF ENVIRONMENTALLY PREFERABLE PRODUCTS AND SERVICES (OCT 1995) (DEVIATION)
CLAUSE 8.5 - DEAR 970.5204-44 FLOWDOWN OF CONTRACT REQUIREMENTS TO SUBCONTRACTS (MAR 2000) (DEVIATION)

CLAUSE 8.6 - UNIVERSITY RESEARCH AND SUPPORTING EFFORTS FOR THE LABORATORY (SPECIAL)

CLAUSE 8.7 - FAR 52.203-6 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (JUL 1995)

CLAUSE 8.8 - FAR 52.209-6 PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (AUG 1995)

CLAUSE 8.9 - FAR 52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS (OCT 1999) (MODIFIED)

CLAUSE 8.10 - FAR 52.219-9 SMALL BUSINESS SUBCONTRACTING PLAN (OCT 1999) (MODIFIED)

CLAUSE 8.11 - FAR 52.219-16 LIQUIDATED DAMAGES - SUBCONTRACTING PLAN (JAN 1999)

CLAUSE 8.12 - FAR 52.222-11 SUBCONTRACTS (LABOR STANDARDS) (FEB 1988) (MODIFIED)

CLAUSE 8.13 - FAR 52.225-1 BUY AMERICAN ACT - BALANCE OF PAYMENTS PROGRAM - SUPPLIES (FEB 2000)

CLAUSE 8.14 - FAR 52.225-9 BUY AMERICAN ACT - BALANCE OF PAYMENTS PROGRAM - CONSTRUCTION MATERIALS (FEB 2000)

CLAUSE 8.15 - FAR 52.225-13 RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (FEB 2000)

CLAUSE 8.16 - FAR 52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS (OCT 1998)

CLAUSE 8.17 - FAR 52.247-63 PREFERENCE FOR U.S.-FLAG AIR CARRIERS (JAN 1997)

CLAUSE 8.18 - FAR 52.247-64 PREFERENCE FOR PRIVATELY-OWNED U.S. FLAG COMMERCIAL VESSELS (JUN 1997)

CLAUSE 8.19 - FAR 52.251-1 GOVERNMENT SUPPLY SOURCES (APR 1984)

CLAUSE 8.20 - WALSH-HEALEY PUBLIC CONTRACTS ACT (SPECIAL)

9.0 LABOR RELATIONS/ SOCIO-ECONOMIC

CLAUSE 9.1 - FAR 52.222-1 NOTICE TO THE GOVERNMENT OF LABOR DISPUTES (FEB 1997)

CLAUSE 9.2 - FAR 52.222-3 CONVICT LABOR (AUG 1996)

CLAUSE 9.3 - FAR 52.222-4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION (JUL 1995)

CLAUSE 9.4 - FAR 52.222-26 EQUAL OPPORTUNITY (FEB 1999)

CLAUSE 9.5 - FAR 52.222-35 AFFIRMATIVE ACTION FOR DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (APR 1998)

CLAUSE 9.6 - FAR 52.222-36 AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES (JUN 1998)
CLAUSE 9.7 - FAR 52.222-37 EMPLOYMENT REPORTS ON DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (APR 1998)
CLAUSE 9.8 - DEAR 970.5204-58 WORKPLACE SUBSTANCE ABUSE PROGRAMS AT DOE SITES (AUG 1992) (MODIFIED)
CLAUSE 9.9 - DEAR 970.5204-59 WHISTLEBLOWER PROTECTION FOR CONTRACTOR EMPLOYEES (APR 1999)
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12.0 CONTRACTOR CONDUCT

CLAUSE 12.1 - DEAR 952.209-72 ORGANIZATIONAL CONFLICTS OF INTEREST ALTERNATE I (JUN 1997)

CLAUSE 12.2 - DEAR 970.5204-27(b) CONSULTANT OR OTHER COMPARABLE EMPLOYMENT SERVICES (MAY 1989) (DEVIATION)

CLAUSE 12.3 - DEAR 952.204-74 FOREIGN OWNERSHIP, CONTROL, OR INFLUENCE OVER CONTRACTOR (APR 1999) (DEVIATION)

CLAUSE 12.4 - FAR 52.203-3 GRATUITIES (APR 1984)

CLAUSE 12.5 - FAR 52.203-7 ANTI-KICKBACK PROCEDURES (OCT 1995)

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CLAUSE 13.3 - CONTRACTOR'S RIGHT TO TERMINATE; SURVIVABILITY OF CERTAIN CONTRACT TERMS (SPECIAL)

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APPENDICES

APPENDIX A	PERSONNEL COSTS AND RELATED EXPENSES
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APPENDIX N	RESERVED

Note: Clauses in **BOLD** have COR designation responsibilities.

10 Fee Determination

The contractor may receive an annual program performance fee, not to exceed \$1,400,000. Of the program performance fee \$980,000 is at risk. For exceptional performance, the Contractor may earn up to \$200,000 in additional fee.

Fee at Risk:

During any annual evaluation period, the contractor performance rating, as determined by DOE in accordance with the Clause 5.3 entitled, Program Performance Fee, and Appendix F of the contract. If during an annual evaluation period, the Contractor's performance in science and technology fails to achieve the "good" rating, as determined by DOE, the fee is reduced by \$490,000. If the Contractor fails to achieve the "good" rating in the administration and operations area the fee is reduced by \$54,000 for each occurrence.

11 Deliverables

Contract Clause	Deliverable	Deliverable Due Date	Action Required	Status or Frequency	Risk or Importance
General					
1.7	University Directed Research & Development (UDRD) Procedures		Information		Low
Statement of Work					
2.2	Work Programs		Approval	Annual	High
2.4	Long-Range Planning, Program Development and Budgetary Administration (Special)		Approval	Annual	Moderate
2.5	Work for other Federal & Non Federal entities		Review/ Approve	Event	High/ Moderate
2.6	Integrated Contractor Performance Appraisal Report		Review	Annual	High
Financial Management					
3.6	Plans				
3.8	Determine adequacy of contractors' disclosure statements. Determine if contractors' disclosure statements comply with CAS and FAR Part 31.				
3.9	Determine adequacy of contractors' disclosure statements. Determine if contractors' disclosure statements comply with CAS and FAR Part 31.				
3.14	Pension Plan Changes/		Approval	Event	Moderate
3.15	Agreement Pertaining to Public Employees Retirement System Notices & Reports (List of Participants in PERS)		Approval	Annual	Moderate
Litigation and Claims					
4.1	Notices and Reports		Approval/	Event	Low

Contract Clause	Deliverable	Deliverable Due Date	Action Required	Status or Frequency	Risk or Importance
4.2	Notices and Reports		Information Approval/ Information	Event	Low
4.6	Notification of Sales Tax		Approval	Event	Moderate
Contract Administration					
5.9	Individual foreign travel action		Approval	Event	Moderate
Site Management					
6.1	Agreements and Leases				
6.2	Press Releases				
6.7	ISMS Review & Validation				
6.8	Permits and License				
6.12	Property System Approval				
6.13, 6.14, 6.15	Vehicle Tagging				
6.16, 6.20	Contractor purchase or lease package where the contractor assumes liability and lease reviews				
Technology Transfer					
7.2, 7.5, 7.6, & 7.7	Documents, exceptions or stipulations regarding rights in data. Infringement of Prime Contract or subcontract, and patent royalty payments.				
Labor Relations/Socio-Economic					
9.1, 9.3, 9.4, 9.7	Records and Notification				
9.8	Workplace Substance Abuse Program		Approval		
9.9	Program Description				
9.11	Approve cost records and special hazards coverage		Approval		
9.12	Collective Bargaining Agreements		Guidance		
9.13	Plans for overtime management.		Approval		
Security					
10.1	Control of Nuclear Materials, approve the program		Approval		
10.3	Approve the program for Disclosure of Information.		Approval		
Records and Paperwork Management					
11.1	Access to ownership of records, written guidance and termination actions				
11.4	Review the records system				
Contractor Conduct					
12.3	FOCI documentation, approval letters		Approve		

Abbreviations & Acronyms

AB	Authorization Basis
ACWP	Actual Cost of Work Performed
AEC	Atomic Energy Commission
AFP	Approved Funding Plan
AMP	Assessment Management Plan
BIOCAP	Contract Administration Plan
CFR	Code of Federal Regulations
COs	Contracting Officers
CORs	Contracting Officer Representatives
CY	Current Year
DEAR	Department of Energy Acquisition Regulation
DOE	U.S. Department of Energy
DOE M	DOE Manual
DP	Defense Programs
DPOD	Defense Programs Operations Management Division
EFMD	Engineering and Facilities Management Division
EM	Environmental Management
ER	Energy Research or Environmental Restoration
ERAP	Emergency Readiness Assurance Plan
ERWM	Environmental Restoration and Waste Management
ES&H	Environment Safety and Health
FAR	Federal Acquisition Regulations
FM	Facilities Management
FRAM	Functions Responsibilities and Authorities Manual
FY	Fiscal Year
GLD	General Law Division
GPRA	Government's Performance Results Act
HCA	Head of the Contracting Activity
HQ	Headquarters
IFMS	Interagency Fleet Management System
IPLD	Intellectual Property Law Division
ISMS	Integrated Safety Management System
ISSM	Integrated Safeguards and Security Management
JFT	Joint Functional Team
LDRD	Laboratory Directed Research Development
LLNL	Lawrence Livermore National Laboratory
LSMC	Laboratory Senior Management Council
M&O	Management and Operating
NEPA	National Environmental Policy Act
O&A	Operation and Administration
OCC	Office of Chief Counsel
OPA	Office of Public Affairs
ORPS	Occurrence Reporting and Processing of Operations Information
PBM	Performance-Based Management
PERS	Public Employees Retirement System
POCMs	Performance Objectives, Criteria, and Measures

Abbreviations & Acronyms

PRB	Performance Review Board
PSOs	Program Secretarial Officers
QA	Quality Assurance
RTBF	Readiness of Technical Base Facilities
SARs	Safety Analysis Reports
S&S	Safeguards and Security
S&T	Science and Technology
SSD	Safeguards and Security Division
SD	Supplemental Directive
SMEs	Subject Matter Experts
SMS	Safety Management System
SOW	Statement of Work
TA	Technical Assessment
TBD	To Be Determined
UC	University of California
UCLAO	University of California Laboratory Administration Office
UCOP	University of California Office of the President
UCRD	University Directed Research and Development
VPLM	Vice President of Laboratory Management
WAS	Work Authorization System
WFO	Work for Others
WM	Waste Management

12 References

U.S. Department of Energy (DOE), Assessment Management Plan for the Lawrence Berkeley National Laboratory, Contract No. DE-AC03-76SF00098.

___ Order 412.1, Work Authorization System.

___ Performance-Based Management Guide for the University of California, Lawrence Berkeley National Laboratory Contract DE-AC03-76SF00098 and Lawrence Livermore National Laboratory Contract W-7405-ENG-48.

___ Supplemental Agreement (M253) to Contract No. DE-AC03-76SF00098, For Management of the Lawrence Berkeley National Laboratory, October 1, 1997.

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